

Motu Research Note #44

Rates of driver licence holding in Aotearoa New Zealand

Motu economic & public policy research

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Document information

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Disclaimer

Access to the data used in this study was provided by Stats NZ under conditions designed to give effect to the security and confidentiality provisions of the Statistics Act 1975. The results presented in this study are the work of the author, not Stats NZ or individual data suppliers.

These results are not official statistics. They have been created for research purposes from the Integrated Data Infrastructure (IDI) which is carefully managed by Stats NZ. For more information about the IDI please visit <https://www.stats.govt.nz/integrated-data/>.

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Abstract

This document summarises some salient points on rates of holding driver licences in Aotearoa New Zealand in 2018 shown in the accompanying Excel tables.

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1 Introduction

This document describes the rates at which various subpopulations of New Zealand's population hold licences for motor cars and light motor vehicles. The population data are from the 2018 Census and licence holding is as of 6 March 2018.

Low rates of holding a driver's licence can indicate difficulty accessing licences (for example, through lack of opportunity to practice driving). This may matter for access to work, education, healthcare, social connections, and more. However, in areas with good public transport, licences may not be required for individuals to have good mobility. In areas with low enforcement, people may be mobile despite not having a licence because they drive illegally.

This document describes some of the main patterns of licence holding found in the accompanying tables. Although the subpopulations identified as having low rates of holding a licence are not necessarily disadvantaged by this, further investigation into the reasons for and effects of their low licence rates may be warranted.

2 Data

All data except that on licences is sourced from the 2018 Census in the IDI. Licence data are sourced from NZTA's IDI tables and were extracted using a code module written by Bryan Ku (MSD). The population is individuals who appear in the 2018 census and who are linked to the IDI spine.

Except where otherwise stated, all population counts are for ages 16+.

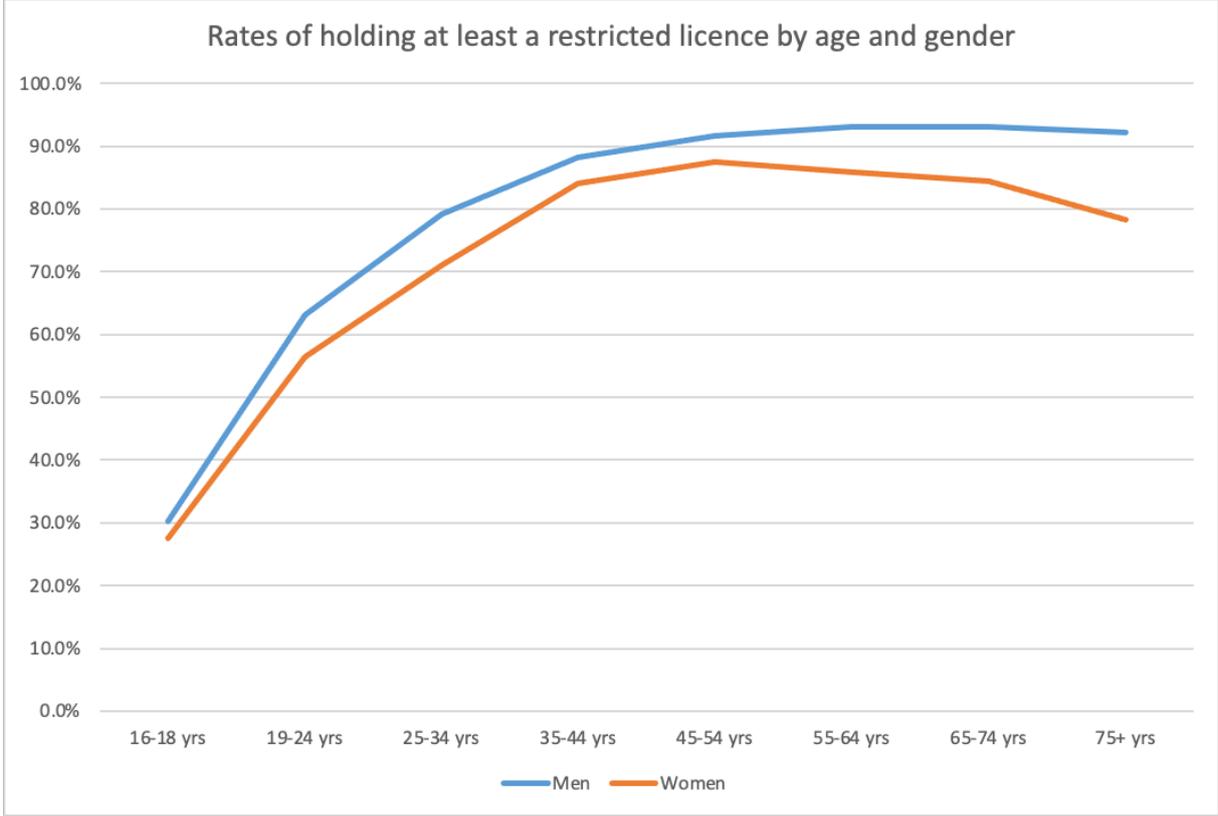
Due to data limitations, suspended, expired, and otherwise invalid licences are included. Data should thus be considered to capture the individuals in the group who have ever held a licence of the level indicated.

To comply with Statistics New Zealand's confidentiality requirements, in the accompanying tables numbers of individuals have been randomly rounded to base 3 and suppressed (denoted "s") where the raw count is under 20.

3 Findings

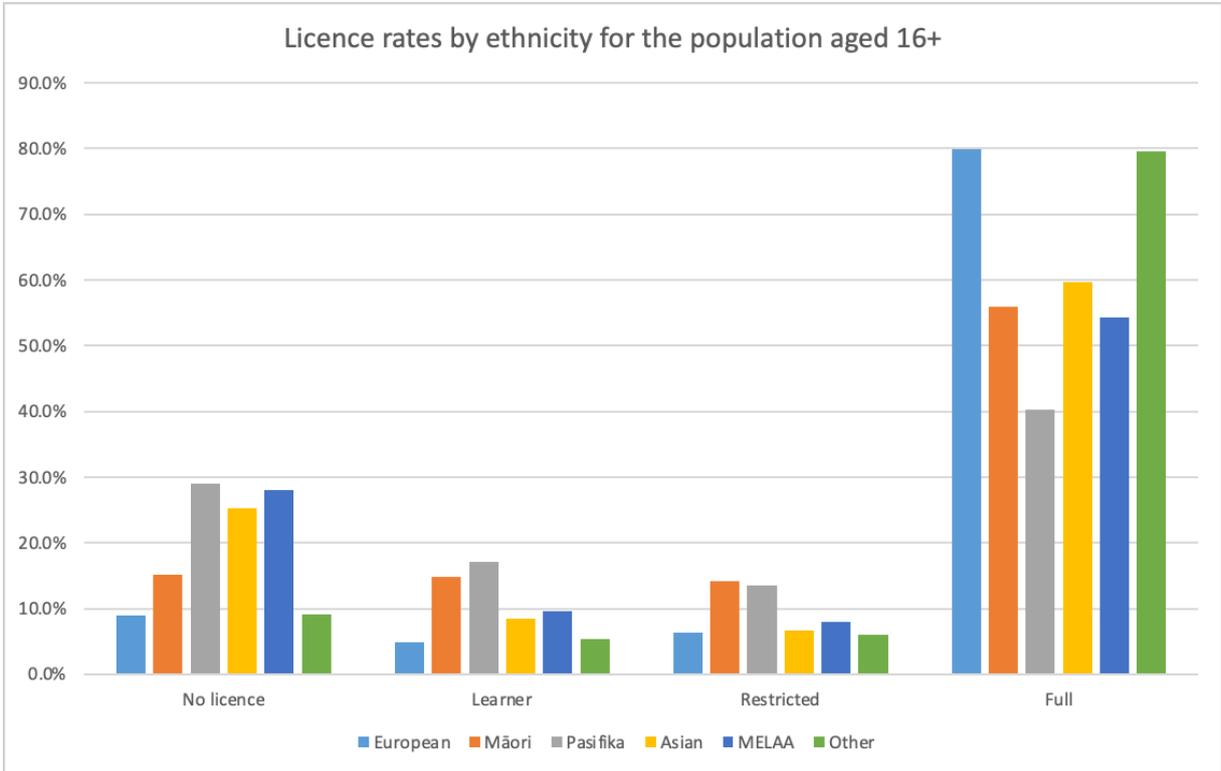
3.1 Licence holding by age and gender

This figure plots rates of licence holding by age and gender shown in Table 2.



3.2 Licence holding by ethnicity

This figure plots rates of licence holding by ethnicity shown in Table 3.



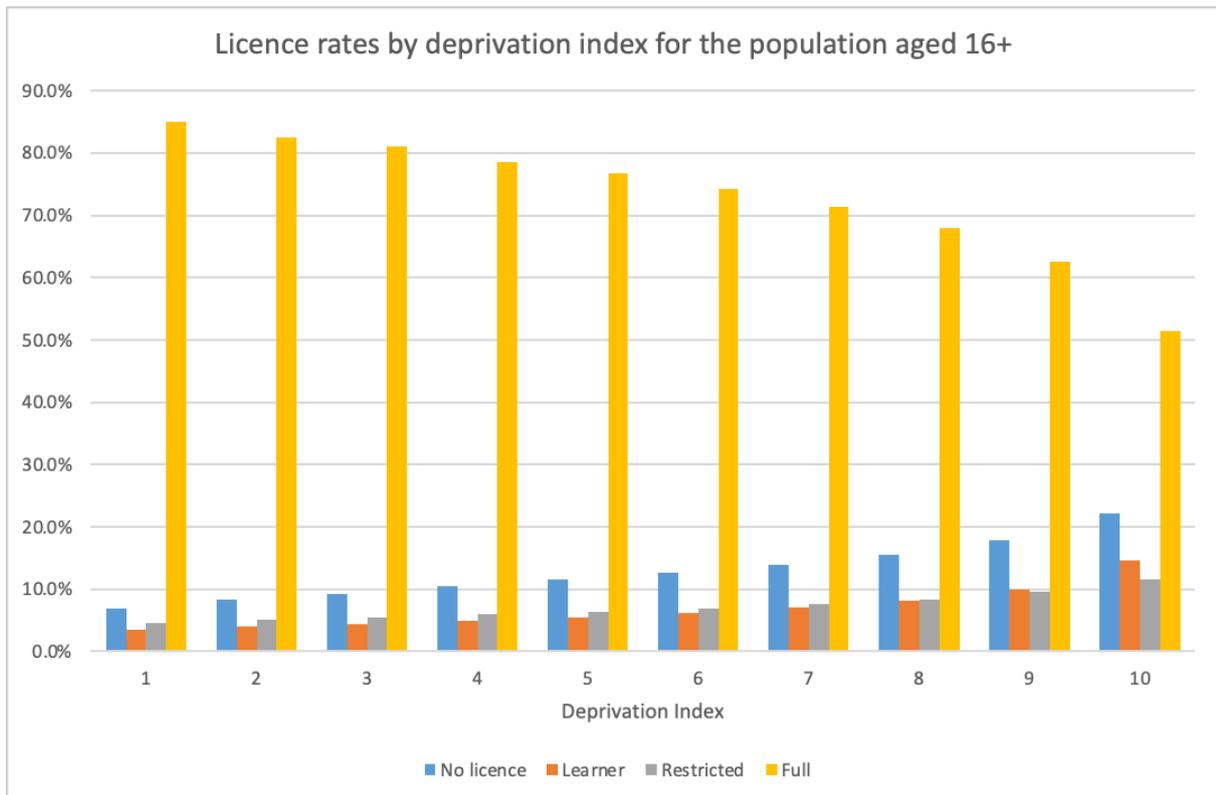
3.3 Licence holding by rurality

Among adults aged 25 to 64, those living in rural areas have higher licence rates than those in urban areas (Table 7). For instance, six percent in rural areas compared with 11% in urban areas hold no licence, and 88% in rural areas compared with 77% in urban areas hold a full licence. These differences are likely because the higher availability of public transport in urban areas provides an alternative to private vehicles for transport.

3.4 Licence holding by deprivation index

Rates of licence holding vary dramatically by the deprivation index of the area in which the individuals live (Table 9). Among those aged 16 and over, only 7% of people living in the least deprived 10% of areas have no licence, whereas 22% of people living in the most deprived 10% of areas have no licence. Similarly, 85% of those in the least deprived areas have a full licence compared with only 52% of those in the most deprived areas.

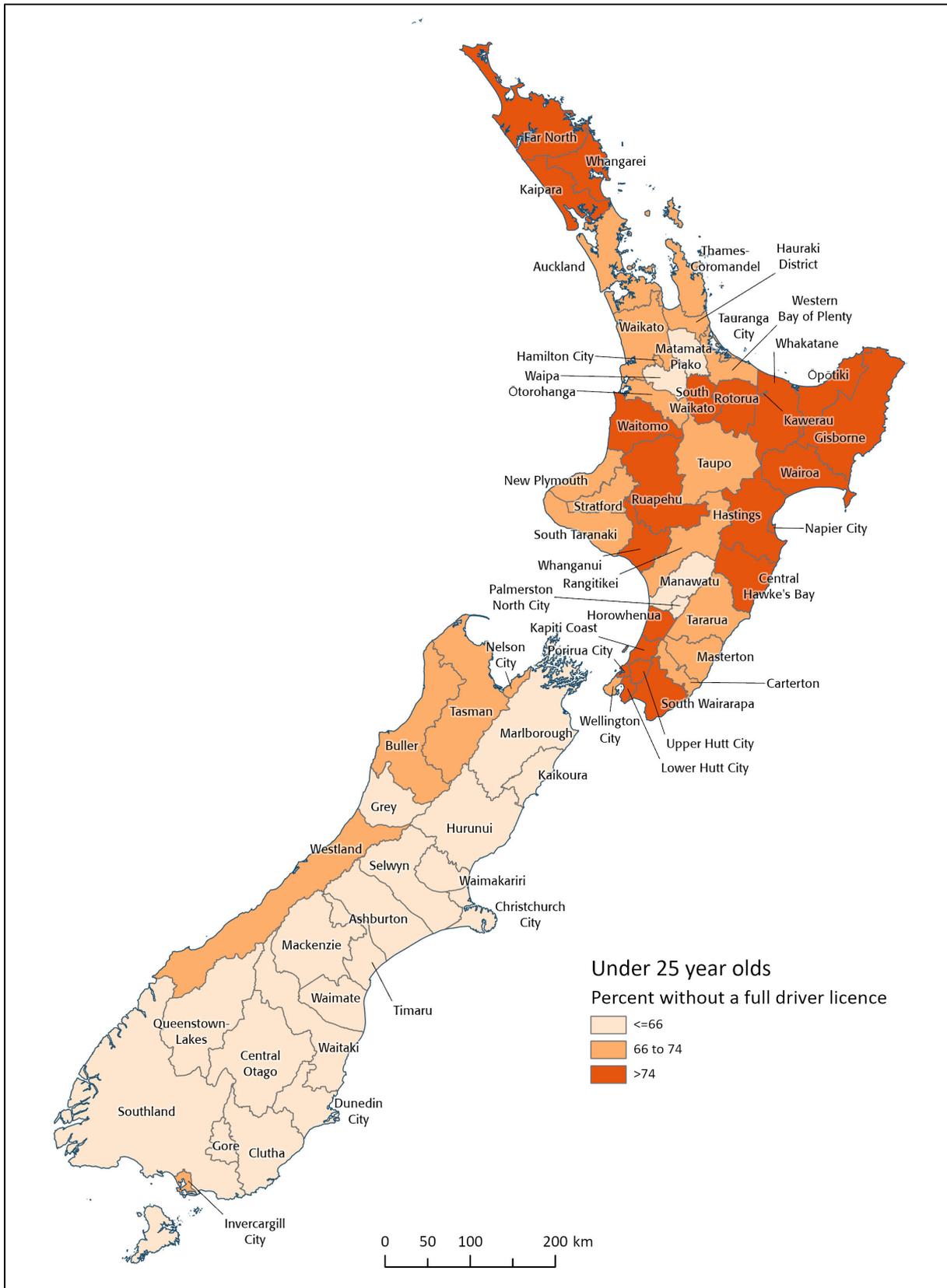
This figure plots rates of licence holding by deprivation index shown in Table 9.



3.5 Licence holding by Territorial Authority

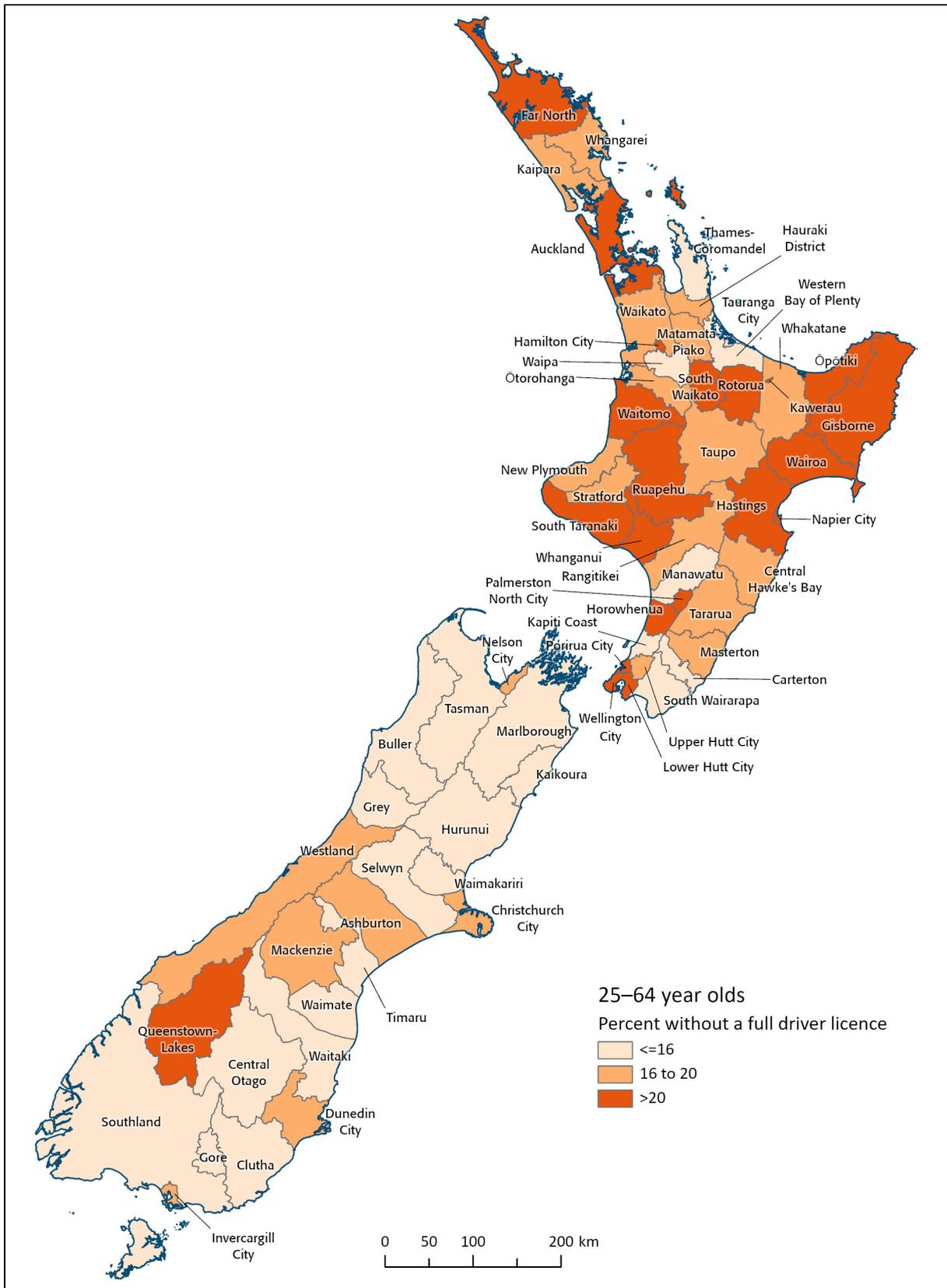
The two figures below show for 16 to 24-year-olds and for 25 to 64-year-olds the percentage in each Territorial Authority who do not hold a full licence. On average, rates of having a full licence are lower in the North Island than in the South Island for both age groups, and are particularly low in some of the more remote areas of the North Island. Full licence rates in the 25-64 age group are also low in Wellington and Auckland, potentially because widespread public transport and the high cost of parking make public transport a more attractive alternative to driving.

Percent of under 25 year olds without a full driver licence in 2018



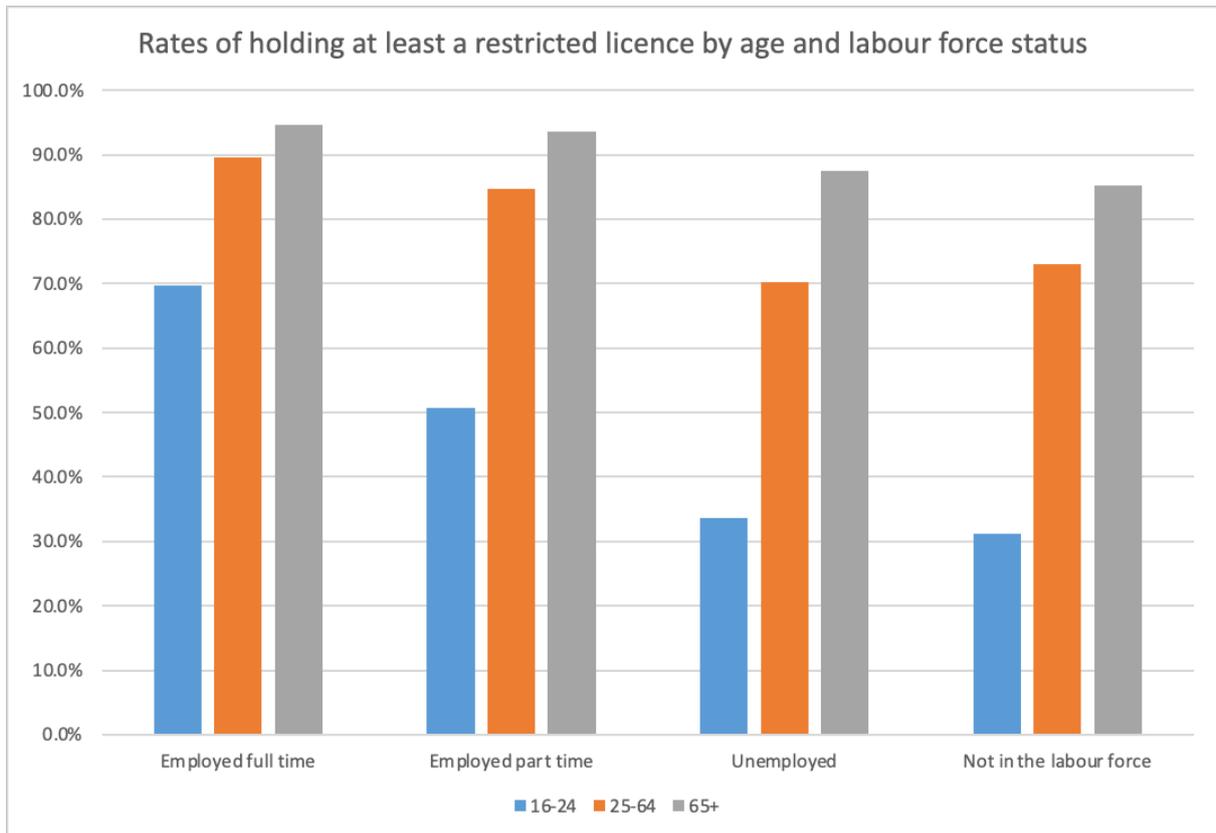
Stats NZ

Percent of 25–64 year olds without a full driver licence in 2018



3.6 Licence holding by labour force status

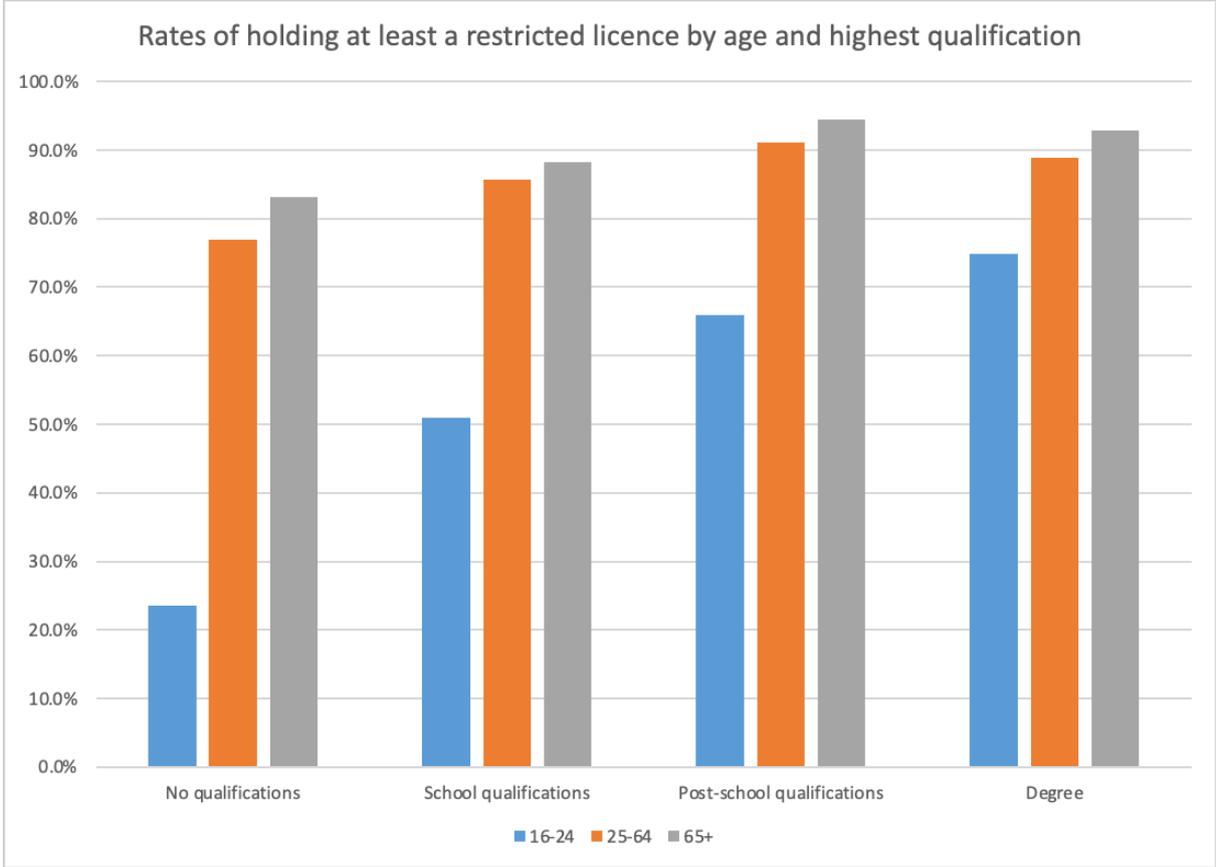
Rates of licence holding are higher among employed individuals than those unemployed or not in the labour force (Table 17). Young people in particular are more likely to have at least a restricted licence if they work full time (70%) or part time (51%) than if they are unemployed (34%) or not in the labour force (31%). Among people aged 25 to 64, 85-90% of those employed have at least a restricted licence, compared with 70-73% of those not working.



3.7 Licence holding by qualifications

For those aged 16 to 24, rates of licence holding increase dramatically with education level: only 24% of those with no qualifications have at least a restricted licence compared with 75% of those with at least a bachelor's degree (Table 16). In the older age groups, licence rates still tend to be higher among the more educated, but the differences are much smaller. In the 25-64 age

group, 77% of those without qualifications have at least a restricted licence compared with 86-91% of those with school qualifications, post-school qualifications, or degrees.

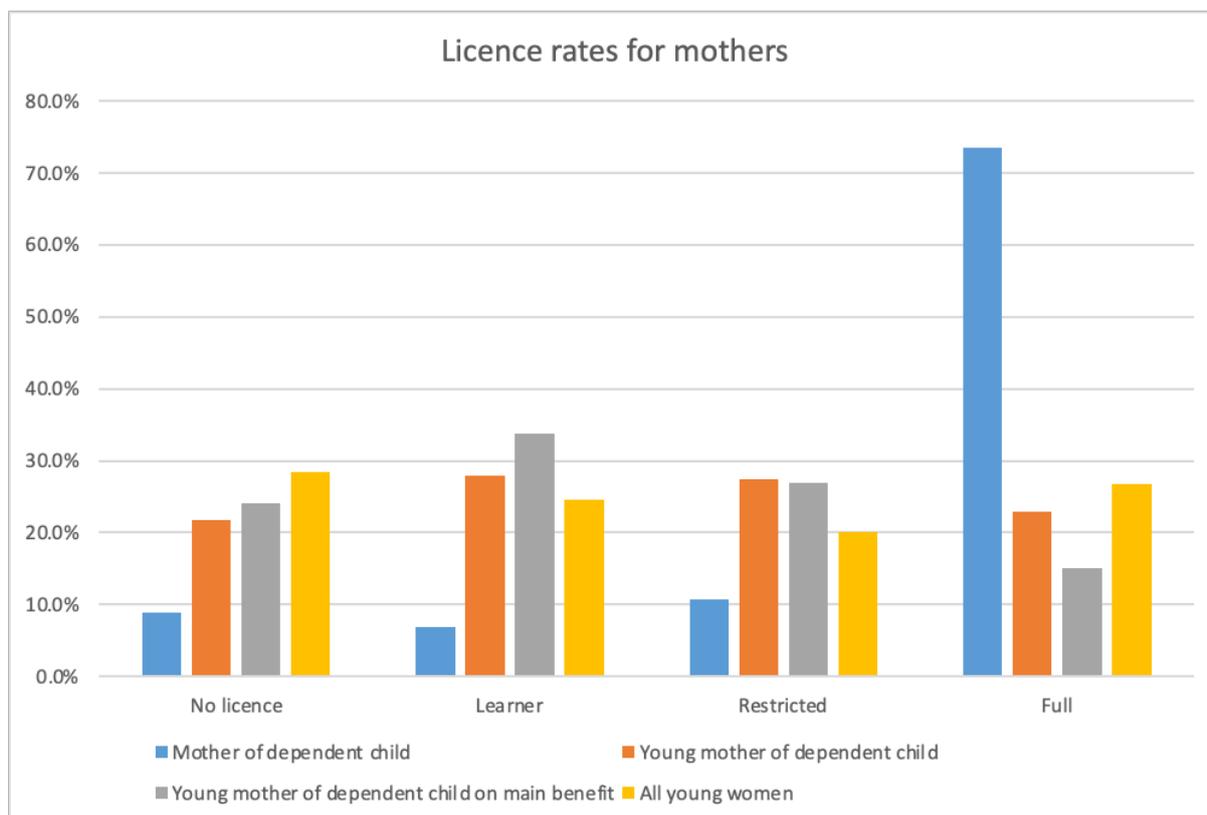


As with the relationship between employment and licence holding, the direction of causality of the relationship between having a licence and education cannot be determined from these data. Having a licence may make completing qualifications easier, those with higher education may have better access to licences (for example, they may find the licence system easier to navigate or may more easily afford the costs of driving practice and testing), or those more inclined to pursue education may also be more inclined to gain driver licences.

3.8 Licence holding of mothers

Mothers of dependent children overall have moderately high rates of licence holding, with 84% having at least a restricted licence (Table 13). However, rates are much lower for young mothers, whom we define as mothers aged under 25. Only half of young mothers have at least a restricted licence and 22% have no licence. Licence rates are even lower for young mothers who are receiving a benefit¹: 42% of these women have at least a restricted licence and 28% have no licence.

¹ Benefits included are Jobseeker Support, Sole Parent Support, and Supported Living Payment.



Because young people in general are less likely to have licences, it is informative to compare licence rates of young mothers to those of young women more broadly. Doing so, we see young women overall are both more likely than young mothers to hold full licences and more likely to have no licence, whereas young mothers are more likely to have learner or restricted licences only. Although not definitive, this pattern could suggest young mothers have more need for licences than non-mothers their age but run into greater obstacles moving up through the licence stages.